

UNIVERSAL INSURANCE HOLDINGS, INC.  
Form DEF 14A  
April 29, 2019

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A  
Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934

Filed by the Registrant                       Filed by a Party other than the Registrant

Check the appropriate box:

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UNIVERSAL INSURANCE HOLDINGS, INC.  
(Name of Registrant as Specified In Its Charter)  
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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  - (3) Filing Party:
  - (4) Date Filed:

1110 West Commercial Boulevard, Fort Lauderdale, Florida 33309  
(954) 958-1200

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(954) 958-1200

April 29, 2019

Dear Fellow Shareholder:

On behalf of your Board of Directors, I am pleased to invite you to attend the 2019 Annual Meeting of Shareholders of Universal Insurance Holdings, Inc. The meeting will be held at 9:00 a.m., Eastern Time, on June 13, 2019 at the Perry Lane Hotel, 256 E. Perry Street, Savannah, GA 31401.

Enclosed you will find a notice setting forth the matters to be acted on at the meeting, which include:

• Election of the nine nominees for director named in the accompanying Proxy Statement for a one-year term;

• Advisory vote to approve the compensation of our named executive officers;

• Ratification of the appointment of our independent registered public accounting firm for fiscal year 2019; and

• Such other business as may properly come before the meeting or any adjournment or postponement thereof.

It is important that your shares be represented and voted at the meeting. You can ensure that your shares are represented and voted at the meeting by submitting your proxy over the internet or by telephone. If you received your proxy materials by mail, you can also submit your proxy by mail by using the proxy card that was mailed to you.

Instructions for these convenient ways to vote are set forth on both the Notice of Internet Availability of Proxy Materials and the proxy card. If you are a beneficial owner of shares held in street name, please follow the instructions to vote provided by your bank, broker or other nominee as indicated on the voting instruction card. Even if you submit your proxy prior to the meeting, you will still be able to attend the meeting and vote your shares in person, as further described in the accompanying Proxy Statement.

Sincerely,

Sean P. Downes  
Chairman and Chief Executive Officer

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UNIVERSAL INSURANCE HOLDINGS, INC.

1110 West Commercial Boulevard

Fort Lauderdale, Florida 33309

(954) 958-1200

www.universalinsuranceholdings.com

NOTICE OF 2019 ANNUAL MEETING OF SHAREHOLDERS

		Proposals of Business
Date and Time	Thursday, June 13, 2019 9:00 a.m., Eastern Time	Election of nine director nominees named in the Proxy Statement to our Board of Directors for a one-year term
Place	Perry Lane Hotel 256 E. Perry Street Savannah, GA 31401	Advisory vote to approve the compensation of our Named Executive Officers
Record Date	Only shareholders of record at the close of business on April 15, 2019 are entitled to receive notice of, and to vote at, the meeting.	Ratification of the appointment of Plante & Moran, PLLC as our independent registered public accounting firm for the 2019 fiscal year  Such other business as may properly come before the meeting or any adjournment or postponement thereof

Proxy Voting

Please vote promptly. You can vote your shares via the internet, by telephone or, if you requested a printed set of the proxy materials, by signing, dating and returning the proxy card in the postage-paid envelope provided. Submitting your proxy now will not prevent you from voting your shares at the meeting, as your proxy is revocable at your option as further described in the Proxy Statement.

BY ORDER OF THE BOARD OF DIRECTORS

Stephen J. Donaghy,

Secretary

Fort Lauderdale, Florida

April 29, 2019

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## PROXY STATEMENT

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors (“Board”) of Universal Insurance Holdings, Inc., a Delaware corporation (“Company,” “Universal” or “UVE”), of proxies to be voted at the 2019 Annual Meeting of Shareholders, to be held at the Perry Lane Hotel, 256 E. Perry Street, Savannah, GA 31401, on Thursday, June 13, 2019, at 9:00 a.m., Eastern Time, and at any and all postponements or adjournments thereof, for the proposals of business set forth in the accompanying Notice of 2019 Annual Meeting of Shareholders. This Proxy Statement, Notice of 2019 Annual Meeting of Shareholders, accompanying proxy card and our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 are available at <http://www.proxyvote.com>.

To reduce our costs and decrease the environmental impact of our proxy materials, in lieu of mailing our proxy materials, we will send a Notice of Internet Availability of Proxy Materials (the “Notice”) to certain of our shareholders containing instructions on how to access our proxy materials online. If you receive a Notice, you will not receive a printed copy of the proxy materials in the mail. Instead, the Notice instructs you on how to access and review the proxy materials online and on how to submit your proxy online. If you received a Notice and would like to receive a copy of our proxy materials, follow the instructions contained in the Notice to request a copy electronically or in paper form. The Notice and printed copies of our proxy materials, as applicable, are expected to be mailed to shareholders on or about April 29, 2019.

## PROXY SUMMARY

## Meeting Agenda and Board Vote Recommendations

Proposal Number	Meeting Agenda Proposal	Board Vote Recommendation	Page Reference
1	Election of nine directors named in this Proxy Statement for an annual term ending in 2020	FOR EACH NOMINEE	7 – 17
2	Advisory vote to approve the compensation of our Named Executive Officers	FOR	18 – 36
3	Ratification of the appointment of Plante & Moran, PLLC as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2019	FOR	37 – 38
Company Overview and Business Strategy			

Universal is a holding company offering property and casualty insurance and value-added insurance services. We develop, market and underwrite insurance products for consumers predominantly in the personal residential homeowners lines of business and perform substantially all other insurance-related services for our primary insurance entities, including risk management, claims management, and distribution. Our primary insurance entities, Universal Property & Casualty Insurance Company (“UPCIC”) and American Platinum Property and Casualty Insurance Company (“APPCIC” and together with UPCIC, the “Insurance Entities”), offer insurance products through both our appointed independent agent network and our online distribution channels across 18 states (primarily in Florida), with licenses to write insurance in an additional two states. The Insurance Entities seek to produce an underwriting profit over the long term (defined as earned premium less losses, loss adjustment expense, policy acquisition costs and other operating costs); maintain a strong balance sheet to prepare for years in which the Insurance Entities are not able to achieve an underwriting profit; and generate investment income on assets exceeding short-term operating needs.

UVE’s strategic focus is on creating a best-in-class experience for our customers, which is supported by our experience of more than 20 years providing protection solutions. Our business strategy leverages our differentiated capabilities to support the Insurance Entities across all aspects of the insurance value chain to provide our customers with a streamlined experience. We continue to evaluate ways in which we can improve the customer experience, provide disciplined underwriting, maintain a strong balance sheet backed by our reinsurance programs and geographic diversification, and maximize earnings stability through inversely correlated or complementary high-quality earnings streams. In 2019, we rebranded certain of our subsidiaries to better serve our Insurance Entities, distinctly identify our capabilities, and position us for continued growth in the future. We have made substantial efforts in recent years to improve our claims operation, including reductions in our claim resolution time and an intensified effort to collect subrogation for the benefit of the Insurance Entities and their policyholders.

## Director Nominees

The following table provides summary information regarding each of our Board's nominees for election as director as well as their tenure and business experience.

Name	Age	Director Since	Principal Occupation	Committee Membership				
				Nominating & Governance	Compensation	Audit	Investment	Risk
Sean P. Downes (Chairman and CEO)	49	2005	Chairman and Chief Executive Officer, Universal Insurance Holdings, Inc.				X	
Scott P. Callahan	65	2013	President and Managing Member of SPC Global RE Advisors, LLC; Former EVP of Everest Reinsurance Holdings	Chair			X	
Kimberly D. Campos	41	2017	Chief Information Officer and Chief Administration Officer, Universal Insurance Holdings, Inc.					X
Ralph J. Palmieri	71	2014	Retired Insurance Company Executive from The Hartford Insurance Group				Chair	
Richard D. Peterson	51	2014	CFO of Dermavant Sciences, Inc.; Former CFO of Sienna Biopharmaceuticals, Inc.		X		Chair	
Michael A. Pietrangelo (Lead Independent Director)	76	2010	Lawyer with Pietrangelo Cook, PLC	X		Chair		
Ozzie A. Schindler	50	2007	Lawyer with Greenberg Traurig LLP				X	Chair
Jon W. Springer	49	2013	President and Chief Risk Officer, Universal Insurance Holdings, Inc.				X	X
Joel M. Wilentz, M.D.	84	1997	Founding Member of Dermatology Associates and the Centers for Cosmetic Enhancement in Florida	X	X		X	

## Governance Highlights

Six of our nine director nominees are independent.

Five of our directors have joined the Board since 2013.

Our independent directors elect our lead independent director, who chairs regularly-scheduled executive sessions at which our independent directors discuss matters without management present, including management's performance, succession planning and Board effectiveness.

We have five Board committees: Audit Committee, Compensation Committee, Nominating and Governance Committee, Investment Committee and Risk Committee, with the Audit Committee, Compensation Committee and Nominating and Governance Committee comprised exclusively of independent directors.



Our directors are elected annually.

We have outreach and engagement with our largest shareholders and have established a telephone hotline to allow shareholders to communicate any concerns to our independent directors on an anonymous basis.

The Board focuses on continuing director education for all directors and Board orientation for new directors.

The Board and each committee conduct an annual evaluation of their performance.

Within two years of joining the Board, each director is expected to own shares of our common stock having a value of at least \$25,000.

- Our directors may not hedge or short shares of our common stock, engage in options trading, trade on margin or pledge shares of our common stock as collateral.

Senior management succession planning is a top Board priority. The Board devotes significant attention to identifying and developing talented senior leaders.

We renewed our focus on Environmental, Social and Governance (ES&G) practices, including an update to our risk climate survey in 2018, revitalized our digital footprint to reduce waste, and advanced our commitment to diversity and inclusion in the workplace by signing the CEO Action for Diversity & Inclusion pledge.

#### Performance Highlights

Our solid 2018 financial results and total shareholder return ("TSR") results reflect our execution against our strategic priorities in 2018 (comparisons are to 2017 unless otherwise specified):

##### Grow other states and Florida:

• Direct premiums written overall grew by \$135.0 million, or 12.8%, to \$1,190.9 million.

• Outside of Florida, direct premiums written grew by \$45.7 million, or 34.6%, to \$177.6 million.

• Florida direct premiums written grew by \$89.3 million, or 9.7%, to \$1,013.3 million.

• Offered Universal Direct<sup>SM</sup> in all 17 states in which the Company writes policies as of December 31, 2018.

• UPCIC commenced writing homeowners policies in New Hampshire.

##### Focus on disciplined growth:

• Diluted GAAP earnings per share increased 9.4% to \$3.27.

• Combined ratio of 87.3%.

• Generated a Return on Average Equity ("ROAE") of 24.1% for 2018.

##### Maintain a strong balance sheet:

• Year-over-year book value per share up 13.8% to \$14.42.

• Gross catastrophe losses well below 2018-2019 reinsurance first event ceiling.

• Total unrestricted cash and invested assets up 13.9% to \$1.1 billion.

##### Return value to shareholders:

• Total shareholder return up 41% in 2018.

• Declared and paid dividends per common share of \$0.73, including a \$0.13 special dividend in December.

• Repurchased 688,689 shares in 2018 at an aggregate purchase price of \$25.3 million.

For further details about our 2018 performance, please see our Annual Report on Form 10-K for the fiscal year ended December 31, 2018.

Total Shareholder Return (TSR) Results <sup>(1)</sup> at End of Fiscal 2018

<sup>(1)</sup> TSR results reflect reinvestment of dividends. Our Florida specialty peer group for fiscal 2018 includes United Insurance Holdings Corp., FedNat Holding Company, HCI Group, Inc. and Heritage Insurance Holdings, Inc. The 5-year TSR excludes Heritage Insurance Holdings, Inc. because it was not a public company during that entire time period.

### Summary of Recent Compensation Actions

The Compensation Committee considered the results of the 2018 advisory vote to approve the compensation paid to our Named Executive Officers (the "2018 Say on Pay Vote") and also considered other factors in evaluating the Company's executive compensation programs as discussed in the Compensation Discussion and Analysis section of this Proxy Statement.

As a result of such evaluation, on February 27, 2019, the Company entered into a new one-year employment agreement with the Company's Chief Executive Officer, Mr. Downes (the "2019 Employment Agreement"), effective as of January 1, 2019, to squarely address the results from the 2018 Say on Pay Vote and revise the legacy three-year employment agreement from 2016. The 2019 Employment Agreement includes:

- ▲ base salary reduction of more than 50%,
- ♠ stock option grants reduced by more than 75%.
- ♠ Performance Share Unit ("PSU") grants reduced by almost 50%,
- ♠ Restricted Stock Unit ("RSU") grant date fair value of \$783,500, and
- ♠ Completely revised non-equity incentive award.

In addition, the Compensation Committee has already determined that Mr. Downes's 2019 annual bonus will not exceed \$3 million, which means that his annual non-equity incentive award (assuming he is awarded the maximum amount of the bonus for 2019) has been reduced by at least 55%.

## PROPOSAL 1: ELECTION OF DIRECTORS

The Board, upon the recommendation of the Nominating and Governance Committee, has nominated incumbent directors Scott P. Callahan, Kimberly D. Campos, Sean P. Downes, Ralph J. Palmieri, Richard D. Peterson, Michael A. Pietrangelo, Ozzie A. Schindler, Jon W. Springer and Joel M. Wilentz, M.D. for election to the Board to serve as directors until the 2020 Annual Meeting of Shareholders or until each nominee's successor is duly elected and qualified. The Board has fixed the number of director seats on the Board at nine.

The nominees have consented to be named in this Proxy Statement as director nominees and have indicated their intent to serve if elected. If any nominee becomes unavailable for any reason, or if any vacancy in the slate of directors to be elected at the meeting should occur before the election, the shares represented by the proxy will be voted for the person, if any, who is designated by the Board to replace the nominee or to fill such vacancy on the Board.

A director nominee must receive the affirmative vote of the majority of votes cast at the annual meeting in order to be elected. If elected, each nominee is expected to serve until the 2020 Annual Meeting of Shareholders or until his or her successor is duly elected and qualified. Otherwise, if a director nominee fails to receive the affirmative vote of the majority of votes cast, then he or she shall promptly tender his or her resignation to the Board, and the Board, taking into account the recommendation of the Nominating and Governance Committee, shall subsequently determine whether to accept or reject the resignation, or whether other action should be taken.

## THE BOARD RECOMMENDS A VOTE FOR EACH OF ITS NOMINEES FOR ELECTION AS DIRECTORS.

## Director Nominees

The current directors of the Company are set forth below, each of whom is also a director nominee. If elected, each nominee is expected to serve until the 2020 Annual Meeting of Shareholders or until his or her successor is duly elected and qualified.

Name	Age	Position	Date of Joining the Board
Scott P. Callahan	65	Director	2013
Kimberly D. Campos	41	Director, Chief Information Officer and Chief Administrative Officer	2017
Sean P. Downes	49	Chairman and Chief Executive Officer	2005
Ralph J. Palmieri	71	Director	2014
Richard D. Peterson	51	Director	2014
Michael A. Pietrangelo	76	Director	2010
Ozzie A. Schindler	50	Director	2007
Jon W. Springer	49	Director, President and Chief Risk Officer	2013
Joel M. Wilentz, M.D.	84	Director	1997

Scott P. Callahan became a director of the Company in 2013. Mr. Callahan has more than thirty years' experience in the property and casualty reinsurance industry. Mr. Callahan currently serves as President and Managing Member of SPC Global RE Advisors LLC, a consulting firm specializing in reinsurance matters, a position he has held since 2013. Until 2011, Mr. Callahan served as Executive Vice President of Everest Reinsurance Holdings, Inc. and Everest Reinsurance Company since 2002. Mr. Callahan also served as a director of Everest Reinsurance Company from 2001 to 2011, a director of Everest International Reinsurance, Ltd. from 2003 to 2007, and director of Everest Reinsurance (Bermuda), Ltd. from 2001 to 2007. His broad knowledge of the reinsurance industry allows Mr. Callahan to provide valuable perspective to the Board, particularly on matters related to the Company's reinsurance program.

Kimberly D. Campos (formerly Cooper) became a director of the Company in 2017. Ms. Campos joined the Company in 2007 and became Chief Administrative Officer in June 2015 and Chief Information Officer in February 2015. Prior

to assuming these roles, Ms. Campos spent eight years in the Company's internal audit department, serving as both IT Manager and then IT Audit Director. She managed IT general controls reviews and new application deployment and performed ongoing security and risk awareness training to improve operational efficiencies and ensure ongoing

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compliance with regulatory requirements. Ms. Campos brings to the Board significant experience in information technology, risk management, regulatory compliance and operational efficiency practices.

Sean P. Downes became Chairman and Chief Executive Officer of the Company in 2013. Mr. Downes also served as President of the Company from 2013 to March 10, 2016. Prior to becoming President and Chief Executive Officer, Mr. Downes served as Senior Vice President and Chief Operating Officer of the Company since 2005 and Chief Operating Officer of UPCIC, a wholly-owned subsidiary of the Company, since 2003. Mr. Downes has served as a director of the Company since 2005 and as a director of UPCIC since 2003. Prior to joining UPCIC, Mr. Downes was Chief Operating Officer of Alder Adjusting Corporation (formerly Universal Adjusting Corporation), a wholly-owned subsidiary of the Company, from 1999 to 2003. As an experienced financial and operational leader within the insurance industry, Mr. Downes brings to the Board a broad understanding of the strategic priorities and operational demands facing the Company.

Ralph J. Palmieri became a director of the Company in 2014. Mr. Palmieri has more than 40 years of experience in the insurance and reinsurance industries. Mr. Palmieri served in various capacities with The Hartford Insurance Group and its subsidiaries from 1976 until his retirement in 2007, including Senior Vice President, Specialty Lines, for The Hartford and President and Chief Operating Officer of The Hartford's surplus lines subsidiary, First State Management Group (formerly known as Cameron and Colby Co.), from 1988 to 2007. Mr. Palmieri brings an acute understanding of the insurance and reinsurance industries and executive leadership experience to the Board.

Richard D. Peterson became a director of the Company in 2014. Mr. Peterson has over 20 years of experience in the areas of executive management, finance and accounting. Mr. Peterson served as the Chief Financial Officer of Dermavant Sciences, Inc., a position he held from 2018 to 2019. From 2017 to 2018, Mr. Peterson was the Chief Financial Officer of Sienna Biopharmaceuticals, Inc., a public pharmaceutical company. Mr. Peterson also served as Chief Financial Officer of Novan, Inc., a public pharmaceutical company, from 2015 to 2017. Mr. Peterson served in various executive roles at Medicis Pharmaceutical Corporation from 1995 to 2012, including as Executive Vice President, Chief Financial Officer and Treasurer from 2008 to 2012. Mr. Peterson has an understanding of corporate governance matters and experience with financial reporting and executive leadership that make him a valued member of our Board.

Michael A. Pietrangelo became a director of the Company in 2010. Since 1998, Mr. Pietrangelo has practiced law and has been of counsel to the firm of Pietrangelo Cook, PLC. Mr. Pietrangelo is admitted to the bars of the states of New York and Tennessee and the District of Columbia. He served on the board of directors of MRI Interventions Inc., a publicly traded research and development company, from 2010 to 2014, and he currently serves on the board of directors of the American Parkinson Disease Association, a not-for-profit organization focused on serving the Parkinson's community. Mr. Pietrangelo also serves as the managing partner of The Theraplex Company, LLC, a privately held skin care company. He brings valuable experience to the Board in corporate governance, legal and financial matters as a result of his positions as a lawyer, executive and director of privately held and public companies, as well as nonprofit organizations.

Ozzie A. Schindler became a director of the Company in 2007. Mr. Schindler has been a shareholder with the law firm of Greenberg Traurig LLP since 2005, specializing in all aspects of international tax planning. He is admitted to both the Florida and New York bars. Mr. Schindler provides strong regulatory, accounting, financial, risk analysis, internal audit, compliance, corporate governance and administrative skills and experience to the Board.

Jon W. Springer became a director of the Company in 2013. Mr. Springer became President and Chief Risk Officer of the Company as of March 10, 2016. Prior to taking on such role, he served as an Executive Vice President and Chief Operating Officer of the Company since 2013. Mr. Springer was an Executive Vice President of Evolution Risk Advisors, Inc. (formerly Universal Risk Advisors, Inc.), a wholly-owned subsidiary of the Company, from 2006

through 2008, and an Executive Vice President of Blue Atlantic Reinsurance Corporation (“Blue Atlantic”), a wholly-owned subsidiary of the Company, from 2008 to 2013. Before joining Evolution Risk Advisors, Inc. in 2006, Mr. Springer was an Executive Vice President of Willis Re, Inc. and was responsible for managing property and casualty operations in its Minneapolis office. Mr. Springer brings to the Board extensive experience in the property and casualty insurance industry, including with respect to reinsurance arrangements.

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Joel M. Wilentz, M.D. became a director of the Company in 1997. Dr. Wilentz is one of the founding members of Dermatology Associates, founded in 1970, and of the Centers for Cosmetic Enhancement in Florida. He is a former member of the Board of Directors of the Neurological Injury Compensation Association for the State of Florida. Dr. Wilentz is, at present, a member of the Board of Governors of Nova Southeastern University. Dr. Wilentz's general business acumen and deep understanding of the Florida business, professional and regulatory environment allow him to provide independent guidance to the Board on a wide variety of general corporate and strategic matters.

#### Board Membership Criteria and Nominations

In selecting candidates for director, the Nominating and Governance Committee looks for individuals with strong personal attributes including:

**Integrity:** Directors should demonstrate high ethical standards and integrity in their personal and professional dealings.

**Accountability:** Directors should be willing to be accountable for their decisions as directors.

**Judgment:** Directors should possess the ability to provide wise and thoughtful counsel on a broad range of issues.

**Responsibility:** Directors should interact with each other in a manner that encourages responsible, open, challenging and inspired discussion.

**High Performance Standards:** Directors should have a history of achievements that reflects high standards for themselves and others.

**Commitment and Enthusiasm:** Directors should be committed to, and enthusiastic about, their service on the Board.

**Courage:** Directors should possess the courage to express views openly, even in the face of opposition.

Our Board values diversity in selecting nominees to serve on our board, but maintains no formal policy regarding Board membership diversity. In nominating directors, the Board considers, among other things, functional areas of experience, educational background, employment experience and leadership performance.

The Board generally believes that the Nominating and Governance Committee and the Board are best situated to identify candidates with appropriate industry and related expertise to meet the Company's needs; however, we will carefully consider any director nominees recommended by shareholders. If a shareholder desires to formally propose a director nominee at the annual meeting, or to put a proposal on the agenda for the annual meeting, our bylaws establish an advance notice procedure that must be complied with in order to do so.

#### Corporate Governance Framework

The Board's leadership structure is designed to ensure that authority and responsibility are effectively allocated between the Board and management. In addition to our strong corporate governance practices and the key oversight roles of our lead independent director and committee chairs, each as described below, all directors share equally in their responsibilities as members of the Board and take seriously the charge of leading the Company on behalf of our shareholders. Our corporate governance framework reflects our commitment to independence and corporate responsibility and to promote achievement of our financial goals through responsible development and execution of corporate strategy. Our governance framework enables independent and skilled directors to provide oversight, advice and counsel to promote the interests of the Company and our shareholders. Our governance framework is established and evidenced by our Corporate Governance Guidelines ("Governance Guidelines"), Code of Business Conduct and Ethics ("Code of Conduct"), our risk management program and our commitment to transparent financial reporting. Our Governance Guidelines, Code of Conduct and the charters of each Board committee are available at [www.universalinsuranceholdings.com](http://www.universalinsuranceholdings.com). The Board, along with management, regularly reviews our policies and procedures, charters and practices to ensure that they are appropriate and reflect desired standards of corporate

governance.

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## Governance Highlights

The following chart highlights our corporate governance practices and principles.

Board Independence	<ul style="list-style-type: none"> <li>• Six of our nine director nominees are independent.</li> <li>• Messrs. Downes and Springer and Ms. Campos are the members of management who serve as directors.</li> </ul>
Board Composition	<ul style="list-style-type: none"> <li>• The Nominating and Governance Committee regularly reviews Board performance, assesses gaps in skills or experience on the Board and periodically recommends new directors to add a fresh perspective to the Board while maintaining continuity and valuable historic knowledge.</li> <li>• Five of our directors have joined the Board since 2013</li> </ul>
Lead Independent Director	<ul style="list-style-type: none"> <li>• Our independent directors elect our lead independent director.</li> </ul> <p>Our lead independent director chairs regularly-scheduled executive sessions at which our</p> <ul style="list-style-type: none"> <li>• independent directors discuss matters without management present, including management's performance, succession planning and Board effectiveness.</li> </ul>
Board Committees	<ul style="list-style-type: none"> <li>• We have five Board committees: Audit Committee, Compensation Committee, Nominating and Governance Committee, Investment Committee and Risk Committee.</li> <li>• Our Compensation Committee, Audit Committee and Nominating and Governance Committee are each comprised exclusively of independent directors.</li> <li>• Chairs of the Board committees shape the agenda and information presented to their committees.</li> </ul>
Board Oversight of Risk Management	<ul style="list-style-type: none"> <li>• The Board seeks to ensure that material risks are identified and managed appropriately, and the Board and its committees regularly review material operational, financial, compensation and compliance risks with senior management.</li> </ul>
Accountability	<ul style="list-style-type: none"> <li>• Our directors are elected annually.</li> </ul> <p>We have outreach and engagement with our largest shareholders and have established a</p> <ul style="list-style-type: none"> <li>• mechanism to allow shareholders to communicate anonymously any concerns to our independent directors.</li> </ul>
Open Communications	<ul style="list-style-type: none"> <li>• Our committees report to the Board regularly.</li> <li>• The Board promotes open and frank discussions with management.</li> <li>• Our directors have free access to members of management and other employees and are authorized to hire outside consultants or experts at the Company's expense.</li> </ul>
Director Education	<ul style="list-style-type: none"> <li>• The Board focuses on continuing director education for all directors and Board orientation for new directors.</li> </ul>
Self-Evaluations	<ul style="list-style-type: none"> <li>• The Board and each committee conduct annual evaluations of their performance.</li> </ul>
Succession Planning	<ul style="list-style-type: none"> <li>• Senior management succession planning is a top Board priority. The Board devotes significant attention to identifying and developing talented senior leaders.</li> </ul>
Director Stock Ownership	<ul style="list-style-type: none"> <li>• Within two years of joining the Board, each director is expected to hold shares of our common stock having a value of at least \$25,000.</li> </ul>
Clawback Policy; No Hedging or Pledging	<ul style="list-style-type: none"> <li>• We have a compensation clawback policy designed to mitigate risk in connection with executive compensation.</li> </ul> <p>Our directors, executive officers and senior accounting and finance personnel may not</p> <ul style="list-style-type: none"> <li>• hedge or short shares of our common stock, engage in options trading, trade on margin or pledge shares of our common stock as collateral.</li> </ul>

### Board and Committee Meetings

Meetings of the Board are held regularly each quarter and as may otherwise be required. The Board held 4 meetings during 2018. We encourage directors to attend the annual meeting of shareholders and expect that they will attend. All of our directors then in office were present at the 2018 Annual Meeting of Shareholders. In addition, all of our directors attended at least 75% of the meetings of the Board and the committees on which they served during 2018.

### Board Leadership Structure

The Board believes that it is important to retain flexibility in determining the best leadership structure for the Company as our needs may change over time. The roles of Board Chairman and Chief Executive Officer may be filled by the same or different individuals, which provides the Board the flexibility to determine whether these roles should be combined or separated based on the Company's circumstances and needs at any given time. The roles of Chairman and Chief Executive Officer of the Company are currently held by the same person, Sean P. Downes. The Board believes that our shareholders are best served at this time by having Mr. Downes fill both positions. Mr. Downes's tenure and experience with the Company make him the most familiar with the business and challenges the Company faces in the current business environment. His experience and expertise make him the most appropriate person to set agendas for, and lead discussions of, strategic matters affecting our business at this time. Moreover, this structure enables Mr. Downes to act as a bridge between management and the Board and helps to promote unified leadership and direction. The Board believes this structure, together with a strong lead independent director, currently provides appropriate leadership for the Company and facilitates effective communications between the Board and management. Our Chairman is appointed annually by all the directors. The Chairman's responsibilities, in addition to providing general leadership to the Board, include calling and presiding at Board and shareholder meetings and preparing meeting schedules, agendas and materials.

### Independence of Our Directors

NYSE rules require that at least a majority of our directors be independent of the Company and management. The Board has determined that each of our directors, other than Messrs. Downes and Springer and Ms. Campos, is an "independent director," as such term is defined by NYSE rules. In making such independence determination with regard to Mr. Ralph Palmieri, the Board considered that Mr. Palmieri's son, Matthew J. Palmieri, is employed as President of Blue Atlantic, a wholly-owned subsidiary of the Company, and has been with the Company since June 2006. Matthew Palmieri is not an executive officer of the Company. See "Certain Relationships and Related-Party Transactions" for additional details regarding Matthew Palmieri's employment with Blue Atlantic. In addition, Darryl L. Lewis, who served on the Board during 2018 until he accepted a position as Chief Legal Officer of the Company, was determined to be independent during his service.

### Lead Independent Director; Meetings of Independent Directors

Michael A. Pietrangolo has served as the lead independent director since 2014. Our independent directors met six times in executive session in 2018. Our lead independent director presides over all executive sessions of our independent directors, facilitates communication between management and our independent directors and is available for consultation with major shareholders and other constituencies, as appropriate. Interested parties may anonymously communicate any concerns to our independent directors, including our lead independent director, by calling (877) 778-5463, which is the same number that employees may use to anonymously report complaints to the Audit Committee concerning accounting or auditing matters.

### Board and Committee Annual Evaluations

At the direction of the Nominating and Governance Committee, the Board annually conducts a self-evaluation aimed at enhancing effectiveness. The Board consults with an outside law firm as an external evaluator. This evaluation process also considers individual director performance. The annual assessment process is a key governance tool used by the Nominating and Governance Committee to solicit feedback in a number of areas, including overall effectiveness, communications with management and committee structures. Each committee also performs an annual self-evaluation, which includes an assessment of its effectiveness and a review of the committee charter and other relevant governance practices and procedures. The Nominating and Governance Committee periodically reviews and assesses the evaluation process as well.

### The Board's Role in Risk Oversight

Risk is an inherent part of our business, and effective risk management is a top Board priority. Risk management and key risks identified by management are overseen by the Board and its committees. These include material operational, financial, compensation and compliance risks. The Board and management also focus on privacy protection, cybersecurity and information security in an effort to mitigate the risk of cyber-attacks and to protect the Company's

information and that of our customers. The Board, through its committees, also oversees the Company's dedicated Enterprise Risk Management ("ERM") function, as described below.

Our Board committees also help manage risk. The Audit Committee performs a central oversight role with respect to financial and compliance risks. As part of its responsibilities, the Audit Committee discusses with management the Company's policies and guidelines governing the process by which risk assessment and risk management are undertaken by management, including guidelines and policies to identify major financial risk exposures and the steps management has taken to monitor and control such exposures. Our Investment Committee considers risks related to the investment of the Company's securities portfolio and the Company's investment strategy. The Risk Committee assists in managing risk by developing and overseeing the risk management process and systems of internal controls intended to provide assurance that the Company has identified and evaluated key enterprise risks and implemented mitigating controls. The Risk Committee receives a comprehensive periodic risk report, which describes the Company's key risk exposures using quantitative and qualitative assessments and includes information about breaches or exceptions. The Compensation Committee considers risk in connection with its design of compensation programs for our executives, including confirming that the compensation program does not encourage unnecessary risk taking, as more fully discussed in the Compensation Discussion and Analysis section of this Proxy Statement. The Nominating and Governance Committee assists in managing risk by regularly reviewing the Company's governance practices and the composition of the Board and its committees, including with regard to director independence.

#### Enterprise Risk Management

We maintain a dedicated ERM function that is responsible for analyzing and reporting the Company's risks; facilitating monitoring to ensure the Company's risks remain within its appetites, limits and tolerances; and ensuring, on an ongoing basis, that our ERM objectives are met. This includes ensuring that proper risk controls are in place; risks are effectively identified, assessed, and managed; and key risks to which the Company is exposed are appropriately disclosed. The ERM function plays an important role in fostering the Company's risk management culture and practices.

In light of the segment of the insurance industry in which we operate, we maintain a moderate to high appetite for underwriting risk, which seeks to provide profitable growth for our shareholders while managing our risk with disciplined pricing and portfolio management standards. We mitigate our underwriting risk with sound reinsurance protection, effective operational policies and procedures, and capital management strategies.

#### Enterprise Risk Management Framework

Our ERM framework provides a platform to assess the risk/return profiles of risks throughout the organization to enable enhanced decision-making by business leaders. A certain level of risk is inherent in the business activities of the Company. Therefore, there is a strong risk management culture and ERM framework embedded within the organization. The level of acceptable risk is memorialized in the Company's risk appetite and tolerance statements and is based on the tradeoff of assumed risk versus the expected value of the opportunity or how much risk the Company is willing to accept in the pursuit of value. The risk appetite is articulated as the overall statement that describes the Company's risk-reward profile while highlighting the types and level of risks assumed in pursuit of the Company's business objectives. The tolerance statements are established for all key risk categories and are expressed as a measure of the level of variation around business objectives that the Company is willing to accept. Both the risk appetite and tolerance statements are reviewed, refreshed as necessary and approved annually to adjust with the desired level of risk exposure.

Proactive monitoring and reporting enable early detection and mitigation of emerging risks. The Risk Committee reviews the risk appetite and tolerance statements and oversees the design of the framework. The framework supports the acceptable level of risk which is the basis of the decision making of management and ultimately the Board. The Company has devoted significant resources to developing its ERM program and expects to continue to do so in the future.

#### Code of Business Conduct and Ethics

Our Code of Conduct is a critical component in helping us maintain high professional standards. We also provide an internal reporting hotline, through which employees can anonymously report suspected violations of the Code of Conduct or other policies. Suspected violations of the Code of Conduct are investigated by the Company and may result in disciplinary action. The Code of Conduct is publicly available on our website at

www.universalinsuranceholdings.com. The Audit Committee annually reviews our Code of Conduct for changes, as appropriate. In the event of an amendment to the Code of Ethics, or a waiver from a provision of the Code of Ethics granted to a senior executive officer, the Company intends to post such information on its website.

### Governance Guidelines

Our Governance Guidelines address director independence standards, conflicts of interest, meeting and committee procedures, Board membership criteria, director qualifications and duties and succession planning, among other pertinent governance matters. Our Governance Guidelines are publicly available on our website at [www.universalinsuranceholdings.com](http://www.universalinsuranceholdings.com). The Nominating and Governance Committee annually reviews the Governance Guidelines for changes, as appropriate.

### Shareholder Communications

We have established a process for shareholders to send communications to the Board. Shareholders may anonymously communicate any concerns regarding the Company to our independent directors by calling (877) 778-5463, which is the same number that employees may use to anonymously report complaints to the Audit Committee concerning accounting or auditing matters. Upon receipt of any shareholder concerns, our independent directors have discretion whether to convey any such information to our full Board. Shareholders may send other general communications to our Company by mail to our Secretary, Stephen J. Donaghy, at Universal Insurance Holdings, Inc., 1110 West Commercial Boulevard, Fort Lauderdale, Florida 33309.

We proactively engage with our shareholders on a variety of topics, including governance and executive compensation matters.

### Corporate Responsibility

Our shareholders, customers and other stakeholders have increasingly expressed interest in our environmental, social and governance (“ESG”) practices. We value being a responsible corporate citizen. We are continually evaluating our strategic approach to corporate responsibility and have implemented various initiatives to address ESG issues.

### Sustainability

We conducted a Risk Climate Survey in 2016 to identify climate change-related risks and develop a risk management plan. Last updated in August 2018, the report (i) considers a plan to assess, reduce or mitigate emissions in our operations; (ii) identifies climate change-related risks and assessing the degree that they could affect our business; and (iii) identifies steps we have taken to encourage policyholders to reduce losses caused by climate change-influenced events.

In an effort to reduce our paper consumption and more efficiently deliver services to our customers, we revitalized our digital presence to enable our customers to submit claims and view documents electronically through our website.

In addition, during 2018 we developed a plan to further educate consumers how to prepare, protect, and recover to reduce potential losses by climate change-influenced and other events, which culminated with a February 2019 launch of our online consumer content resource Clovered<sup>SM</sup>.

We have also reduced our energy footprint by assigning hybrid vehicles to field agents and making certain adjustments in our office buildings, such as transitioning to energy-efficient LED lighting.

### Social Impact

We support various charitable organizations through our philanthropic giving and volunteer efforts. We partner with local and national organizations that reflect our vision and values and harness the power of our employees to engage in various charitable efforts.

We continue our support of diversity and inclusion to create an inclusive culture, and deliver a sustainable talent model to enhance performance and broaden perspectives. 48% of our workforce is made up of women and 68% are diverse. 23% of our leadership positions are made up of women and 56% are held by diverse employees.

We are invested in the communities in which we do business. We regularly engage with and support our communities, including through outreach efforts during major storms and organizing beach cleanup events. We have paid out hundreds of millions of dollars in claims over the years, along with our reinsurance partners, to help our customers get back on their feet after challenging disasters, and we have consciously strived to maintain our presence in hard and soft markets over the years.

We also contribute to organizations that positively impact our communities, such as:

Step Up For Students, a state-approved nonprofit scholarship funding organization that helps administer scholarships for Florida schoolchildren



Habitat for Humanity South Palm Beach Chapter

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St. Baldrick's "Brave the Shave," a fundraising event to benefit research to fight childhood cancer  
 InVEST school to work program for students. InVEST is an insurance-education program offered in high schools and community colleges that is designed to develop the insurance work force of the future. InVEST programs are active in 650 schools nationally with more than 30 in Florida.

"Light the Way" event sponsor for The Boys and Girls Club

Also participated in various initiatives with local organizations to donate school supplies, collect food pantry items and give holiday toys to children in need.

Our employees are a cornerstone of our operations, and we take their health and wellness seriously. We provide our employees with health and dental insurance, life insurance and AD&D, short-term disability insurance, employee assistance program, prescription discounts, gym memberships, and a matching 401(k) program.

In 2019, our Chairman and CEO, Sean Downes, advanced our commitment to diversity and inclusion in the workplace by signing the CEO Action for Diversity & Inclusion pledge.

#### Corporate Governance and Ethics

We are committed to promoting corporate responsibility and achievement of our financial goals through responsible development and execution of corporate strategy. The Board provides continuing oversight of our governance process. With a commitment to ethics, we conduct our business in accordance with our Code of Conduct, which emphasizes treating all employees and customers with fairness, decency and good citizenship. We also conduct employee ethics training modules on an annual basis. For more information on our governance practices, see "Governance Highlights" and the accompanying discussion above.

#### Committees and Committee Chairs

The Board has appointed strong committee chairs to lead each Board committee in its respective area. All committee chairs are independent and appointed annually by the Board. Committee chairs are responsible for setting meeting agendas, presiding at committee meetings, facilitating open communications with the Board and management and working directly with management in connection with committee matters. Our committees have the authority and the resources to seek legal or other expert advice from independent sources. Each committee reports its actions and recommendations to the full Board on a regular basis.

The following table sets forth the current committee membership, chairpersons and "audit committee financial experts" for our Company:

		Nominating & Governance Committee	Investment Committee	Compensation Committee	Audit Committee	Risk Committee
Scott P. Callahan	I	Chairperson	Member			
Kimberly D. Campos						Member
Sean P. Downes	C		Member			
Ralph J. Palmieri	I		Chairperson			
Richard D. Peterson	I, E			Member	Chairperson	
Michael A. Pietrangelo	I, LD	Member		Chairperson		
Ozzie A. Schindler	I, E				Member	Chairperson
Jon W. Springer			Member			Member
Joel M. Wilentz, M.D.	I	Member		Member	Member	

I - Independent director; C - Chairman of the Board; LD - Lead Director; E - Audit Committee Financial Expert

#### Audit Committee

The Audit Committee provides oversight of the Company's financial management, internal audit department and independent auditor. The Audit Committee oversees the quality and effectiveness of the Company's internal controls, which provide reasonable assurance that assets are safeguarded and that financial reports are properly prepared. The

Audit Committee also reviews and monitors the Company's financial reporting procedures, compliance and disclosure, including overseeing the preparation of financial statements. In performing these functions, the Audit Committee meets periodically with the independent auditor, management and internal auditors (including in private sessions) to review their work and confirm that they are properly discharging their respective responsibilities. In addition, the Audit Committee appoints and evaluates the performance of the independent auditor.

• The Audit Committee held 5 meetings in 2018.

• The Board has determined that Messrs. Peterson and Schindler are each an “audit committee financial expert” as defined by Item 407(d)(5) of Regulation S-K promulgated by the SEC.

• The Audit Committee’s charter is publicly available on our website at [www.universalinsuranceholdings.com](http://www.universalinsuranceholdings.com).

• The Audit Committee annually reviews its charter to determine whether any changes are appropriate.

#### Compensation Committee

The Compensation Committee is responsible for establishing and overseeing the Company’s executive compensation philosophy and principles, reviewing and recommending for approval by the independent directors the compensation for and employment agreement with our Chief Executive Officer, approving the compensation for and employment agreements with certain other executive officers, establishing and evaluating performance-based goals related to compensation, overseeing the design and administration of the 2009 Omnibus Incentive Plan, as amended from time to time (“Omnibus Plan”), and reviewing, and recommending for approval by the full Board, the compensation for our independent directors.

• The Compensation Committee held 6 meetings in 2018.

• The Compensation Committee’s charter is publicly available on our website at [www.universalinsuranceholdings.com](http://www.universalinsuranceholdings.com).

• The Compensation Committee annually reviews its charter to determine whether any changes are appropriate.

#### Nominating and Governance Committee

The Nominating and Governance Committee exercises general oversight with respect to the governance of the Board. It assists the Board by identifying individuals qualified to become directors and recommends to the Board nominees for the next annual meeting of shareholders and to fill vacancies in membership of the Board as they occur; recommends to the Board nominees for each committee of the Board; and considers matters relating to corporate governance generally, including assessing the adequacy of our corporate governance policies and procedures and making recommendations to the Board, as appropriate, regarding modifications to such policies and procedures, including our Governance Guidelines and our certificate of incorporation and bylaws. The Nominating and Governance Committee also oversees the director self-evaluation process and is responsible for maintaining orientation and continuing education programs for all directors.

• The Nominating and Governance Committee held 4 meetings in 2018.

• The Nominating and Governance Committee’s charter is publicly available on our website at [www.universalinsuranceholdings.com](http://www.universalinsuranceholdings.com).

• The Nominating and Governance Committee annually reviews its charter to determine whether any changes are appropriate.

#### Investment Committee

The Investment Committee’s responsibilities include monitoring whether the Company has adopted and adheres to a rational and prudent investment strategy; monitoring whether investment actions are consistent with the Company’s investment strategy, financial objectives and business goals; monitoring compliance with legal and regulatory requirements pertaining to investment and capital management; and assessing the competence and performance of the Company’s third-party investment advisers. The Investment Committee does not make operating decisions about market timing, sector rotation or security selection, which are the responsibilities of management and the Company’s third-party investment advisers.

• The Investment Committee held 3 meetings in 2018.

• The Investment Committee’s charter is publicly available on our website at [www.universalinsuranceholdings.com](http://www.universalinsuranceholdings.com).

• The Investment Committee annually reviews its charter to determine whether any changes are appropriate.

#### Risk Committee

The Risk Committee’s responsibilities include designing, implementing and maintaining an effective risk management framework; evaluating and addressing risk management and capital management matters affecting the Company related to the design and implementation of the Company’s risk management framework; assessing the Company’s ERM capabilities; maintaining a risk-aware corporate culture; and developing risk tolerance protocols and procedures.

The Risk Committee annually reviews the Company's risk tolerance levels, risk appetite statements and risk management policy.

☛The Risk Committee held 4 meetings in 2018.

☛The Risk Committee's charter is publicly available on our website at [www.universalinsuranceholdings.com](http://www.universalinsuranceholdings.com).

☛The Risk Committee annually reviews its charter to determine whether any changes are appropriate.

#### Compensation Committee Interlocks and Insider Participation

Richard D. Peterson, Michael A. Pietrangelo and Joel M. Wilentz, M.D. served as members of the Compensation Committee during 2018. There are no Compensation Committee interlocks, meaning that none of our executive officers served on the compensation committee (or its equivalent) or board of directors of another entity for which any of our directors served as an executive officer at any time during 2018.

No compensation committee member is or was an employee or officer of the Company or has any relationship with the Company requiring disclosure as a related party transaction.

#### Director Compensation

Each independent director currently receives an annual cash retainer of \$85,000. In light of the workload and broad responsibilities of their positions, the Chairs of our Board committees each receive an additional annual cash retainer of \$15,000. The independent directors are also entitled to receive discretionary grants of non-qualified stock options under our Omnibus Plan.

Messrs. Downes and Springer and Ms. Campos are employees of the Company and do not receive additional compensation for their Board service.

#### Director Summary Compensation Table

The table below summarizes the compensation paid to our independent directors for the fiscal year ended December 31, 2018.

Name	Fees Paid in Cash (\$)	Stock Awards <sup>(1)</sup> (\$)	Total (\$)
Scott P. Callahan (2)	\$ 85,000	—	\$85,000
Darryl L. Lewis (3)	\$ 58,333	—	\$58,333
Ralph J. Palmieri	\$ 100,000	—	\$100,000
Richard D. Peterson	\$ 100,000	—	\$100,000
Michael A. Pietrangelo	\$ 100,000	—	\$100,000
Ozzie A. Schindler (4)	\$ 91,250	—	\$91,250
Joel M. Wilentz, M.D.	\$ 85,000	—	\$85,000

As of December 31, 2018, the number of equity awards (in the form of stock options) that were outstanding for (1) each independent director was as follows: Mr. Callahan 30,000, Mr. Palmieri 20,000, Mr. Peterson 49,200, Mr. Pietrangelo 20,000, Mr. Schindler 40,000 and Mr. Wilentz 20,000.

Mr. Callahan was appointed the Chair of the Nominating & Governance Committee on August 1, 2018, when Mr. Lewis resigned as a director. Mr. Callahan was compensated for his services as Chair on a prorated basis from (2) August 1, 2018 to December 31, 2018, with such prorated payment made in 2019. Accordingly, this prorated amount is not reflected in the table above.

On August 1, 2018, Mr. Lewis resigned as a director and accepted a position as Chief Legal Officer of the (3) Company. Mr. Lewis received compensation as a director only for the portion of the year that he served in such capacity.

(4) Mr. Schindler was appointed the Chair of the Risk Committee on August 1, 2018, when Mr. Lewis resigned as a director. Mr. Schindler was compensated for his services as Chair on a prorated basis from August 1, 2018 to

December 31, 2018. This prorated amount was paid in 2018 and is reflected in the table above.

Stock Ownership Guidelines; No Hedging or Pledging Shares

We believe that our directors should be personally invested in the Company alongside our shareholders. It is expected that, within two years of joining the Board, each director will own shares of our common stock having a value of at least \$25,000. Additionally, our directors may not hedge or short shares of our common stock, engage in options trading, trade on margin or pledge shares of our common stock as collateral.

Each director is currently in compliance with these guidelines.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) requires our directors, executive officers and persons who own more than 10% of the Company’s common stock (collectively, “Reporting Persons”) to file initial reports of ownership and reports of changes in ownership with the SEC. Reporting Persons are required by SEC regulations to furnish us with copies of all Section 16(a) forms they file.

Based solely on a review of copies of Forms 3, 4 and 5 provided to us and written representations by the Reporting Persons, we believe that, for the year ended December 31, 2018, all of the Reporting Persons timely filed their Section 16 reports.

Executive Officers

Our executive officers are elected annually by the Board and serve at the discretion of the Board. The current executive officers of the Company are as follows:

Name	Age	Position
Sean P. Downes	49	Chairman and Chief Executive Officer
Jon W. Springer	49	President, Chief Risk Officer and Director
Stephen J. Donaghy	54	Chief Operating Officer and Secretary
Frank C. Wilcox	53	Chief Financial Officer
Kimberly D. Campos	41	Chief Administrative Officer, Chief Information Officer and Director

Our executive officers are collectively referred to in this Proxy Statement as our “Named Executive Officers” or “NEOs.” Biographical information about our Named Executive Officers is as follows.

Sean P. Downes. For biographical information on Sean P. Downes, see “Director Nominees.”

Jon W. Springer. For biographical information on Jon W. Springer, see “Director Nominees.”

Stephen J. Donaghy became the Chief Operating Officer of the Company as of March 10, 2016, and Secretary in February 2013. He also served as our Chief Marketing Officer from January 2015 to March 2016, Chief Administrative Officer from February 2013 to June 2015, Chief Information Officer from 2009 to February 2015 and Executive Vice President since 2006. Before joining the Company, Mr. Donaghy held various executive positions at JM Family Enterprises, a private company, including Vice President of Strategic Initiatives, Vice President of Sales and Marketing and Senior Information Officer.

Frank C. Wilcox became the Chief Financial Officer and Principal Accounting Officer of the Company and Chief Financial Officer and Treasurer of the Company’s wholly-owned insurance subsidiaries in 2013. Mr. Wilcox served as the Company’s Vice President – Finance from 2011 to 2013. Prior to joining the Company, Mr. Wilcox held senior corporate accounting positions with Burger King Corporation (2006 to 2011) and BankUnited (2000 to 2006), as well as various auditing, finance, accounting and SEC reporting positions from 1989 to 2000 at Coopers & Lybrand, Blackstone, Dean Witter, CSFB and American Express. Mr. Wilcox has been licensed as a certified public accountant in New York since 1996.

Kimberly D. Campos. For biographical information on Kimberly D. Campos, see “Director Nominees.”

## PROPOSAL 2: ADVISORY VOTE TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

In accordance with Section 14A of the Exchange Act, we are asking shareholders to approve the compensation paid to our Named Executive Officers, as disclosed in this Proxy Statement on pages 18-36 (the "Say on Pay Vote"). Although the voting results are not binding, we value continuing and constructive feedback from our shareholders on compensation and other important matters, and the Compensation Committee will consider the voting results when evaluating our executive compensation program.

Following last year's Say on Pay Vote, the Compensation Committee and senior management evaluated how to be responsive to the concerns of shareholders. This evaluation and actions taken in response are further discussed below under the heading "Recent Developments—Response to 2018 Say on Pay Vote."

We believe that our executive compensation program aligns the interests of the Company's executives and other key employees with those of the Company and its shareholders. The program is intended to attract, retain and motivate high caliber executive talent to enable the Company to maximize operational efficiency and long-term profitability. We ask for your advisory approval of the following resolution:

"RESOLVED, that the shareholders hereby approve, on an advisory basis, the compensation paid to Universal Insurance Holdings, Inc.'s Named Executive Officers, as described in this Proxy Statement on pages 18-36."

THE BOARD RECOMMENDS A VOTE FOR APPROVAL OF THE COMPENSATION PAID TO THE COMPANY'S NAMED EXECUTIVE OFFICERS, AS DISCLOSED IN THIS PROXY STATEMENT.

### Compensation Discussion and Analysis

We believe that the compensation provided to the Named Executive Officers for 2018 is aligned with our pay-for-performance philosophy and our overall business performance as evidenced by the key financial and operational milestones presented on pages 4-5 and 19-20 of this Proxy Statement.

This Compensation Discussion and Analysis provides an overview of the Company's executive compensation program and compensation principles. The Compensation Committee oversees our compensation program for our Named Executive Officers and the equity compensation program for the Company's employees generally. All of our executive officers are Named Executive Officers.

The Compensation Committee designs our executive compensation program to:

- attract, retain and reward high-performing executives who will work well as a team to drive Company growth and profitability;
- increase long-term value for shareholders;
- balance both short- and long-term focus;
- manage the Company in a prudent and responsible manner; and
- maintain and enhance the Company's reputation for operational excellence.

In making its decisions, the Compensation Committee takes into account, among other things:

- the Company's performance;
- shareholder alignment;
- the voting results of the annual say on pay resolution;
- individual performance;



